

VZCZCXRO2018
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DE RUEHNK #0701 1591115
ZNY CCCCC ZZH
R 081115Z JUN 06
FM AMEMBASSY NOUAKCHOTT
TO RUEHC/SECSTATE WASHDC 5576
INFO RUEHZK/ECOWAS COLLECTIVE
RUCNISL/ISLAMIC COLLECTIVE
RUEHBY/AMEMBASSY CANBERRA 0327
RUEHBAD/AMCONSUL PERTH 0291
RUEAIIA/CIA WASHDC
RUEKDIA/DIA WASHDC
RUEHNO/USMISSION USNATO 0235
RUCPDOG/USDOC WASHDC

C O N F I D E N T I A L NOUAKCHOTT 000701

SIPDIS

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CIA WASHDC
DIA WASHDC
USMISSION USNATO
USDOC WASHDC

E.O. 12958: DECL: 06/07/2016

TAGS: [BBSR](#) [EINV](#) [EPET](#) [ECON](#) [EFIN](#) [MR](#)

SUBJECT: WOODSIDE AND MAURITANIA SIGN REVISED PRODUCTION
SHARING CONTRACT.

REF: A. NOUAKCHOTT 00377

[1](#)B. NOUAKCHOTT 00365

[1](#)C. NOUAKCHOTT 00330

Classified By: Amb. Joseph LeBaron, Reason 1.4 (b), (d)

1.(U) On June 6, Woodside and its venture partners signed a revised oil production sharing contract (PSC) for four areas off the coast of Mauritania with Mauritanian Oil and Energy officials. The revised PSC resolves the dispute between the parties over previous amendments to the original PSC.

[1](#)2. (C) Woodside's Corporate Affairs Manager, Brendan Augustin, said the revised PSC will include the "Dubai Agreements" that were negotiated this past February between Woodside and the Mauritanian government. According to a Woodside press release, the major elements of the revised PSC are:

-- Exploration periods are secured in line with previous arrangements.

-- A bonus of 100 million USD will be paid to the Mauritanian government approximately fourteen days after the approval of the revised PSC B by the Mauritanian government.

-- Fiscal incentives will provide a greater share of revenue from the Chinguetti project to the Mauritanian government during periods of high oil prices

-- Establishment of an Environment Commission, funded through a 1 million USD annual payment by the Woodside consortium during the life of production under the revised PSC.

[1](#)3. (C) Augustin noted "the 100 million USD bonus will be paid fourteen days after the Ministerial Council approves a draft bill accepting the revised PSC, it is accepted by the CMJD and Colonel Fal and it is then released in the Official Journal."
LeBaron